

Press release

Stockholm October 5, 2023

Bactiguard embarks on sharpened strategy with full focus on Licensing and has initiated review of its financial targets

Following the profit warning in July and the profitability challenges within the BIP portfolio of coated medical devices, Bactiguard Holding AB today announces a sharpened strategy with full focus on the Licensing business. Consequently, the BIP portfolio will be phased out through outsourcing or partnerships. With regards to the new strategy, Bactiguard has initiated a review of its financial targets. The outcome of the review will be announced on October 27, 2023, in connection with the Q3 2023 interim report.

As previously reported, the largest potential for Bactiguard and its infection prevention coating technology lies within the Licensing business, both from a profitability and impact perspective. Since the profit warning and Q2 2023 interim report, the Management Team has been focused on defining a roadmap to achieve both profitability and secure long-term and resilient growth. The sharpened strategy announced today with full focus on Licensing and the phasing out of the BIP portfolio is the result of this review.

The efforts to bolster and further invest in strengthening the Licensing organization continue and include both reallocation of certain resources from the BIP team and external senior recruitments. The emphasis on the US as the world's largest medtech market, coupled with its strong commitment to preventing hospital acquired infections, remains.

The BIP portfolio will be phased out through a combination of outsourcing initiatives and collaborations with current or new License partners to minimize supply disruption. The new strategy will lead to reductions in force of around one fifth and affects both Malaysia and Sweden and involves customary union negotiations.

"We will now prioritize our resources fully on Licensing and enable leading global medtech companies to bring their medical devices with our unique coating to the market. Even though the BIP business model has not been successful, the clinical evidence related to the products gained over time is of importance also going forward. We have started outsourcing discussions with potential partners, with the goal of changing a loss into a profit. With the strategy shift, we can finally unleash the full potential of Bactiguard and protect patients worldwide from medical device related infections," states Thomas von Koch, interim CEO of Bactiguard.

Financial impact and review of financial targets

The financial impact of the new License focused strategy will, over time, negatively affect the BIP revenues by 25 MSEK while the yearly savings for Bactiguard are anticipated to be more than 25 MSEK. As Bactiguard now performs a comprehensive reorganization, the Board of Directors will initiate a review of the financial targets set on February 8, 2022. The outcome of the review will be announced in connection with the Q3 2023 interim report.

Bactiguard Holding AB will publish its interim report for Q3 2023 on October 27, 2023, at 08:00 CEST which will be followed by a press conference at 11:00 CEST including a Q&A session.

This is information that Bactiguard Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below 2023-10-05, at 08:00 CEST.



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About Bactiguard

Bactiguard is a global medtech company that develops antibacterial, biocompatible and safe technology and solutions to prevent medical device related infections across five therapeutic areas – orthopedics, urology, intravascular/critical care, dental, and wound care.

Bactiguard's unique technology is based on a thin noble metal coating that prevents bacterial adhesion and biofilm formation on medical devices. Bactiguard's infection prevention solutions make a positive impact by decreasing patient suffering, saving lives and unburden healthcare resources. They also fight against antimicrobial resistance, one of the most serious threats to global health and modern medicine.

Bactiguard operates through license partnerships with leading global medtech companies, such as BD and Zimmer Biomet, enabling them to bring medical devices with the company's unique infection prevention technology to the market. Bactiguard also has a portfolio of wound management products and sutures.

Bactiguard is headquartered in Stockholm and listed on Nasdaq Stockholm.

Read more on www.bactiguard.com

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